



Speech by

Hon. PETER BEATTIE

MEMBER FOR BRISBANE CENTRAL

Hansard 4 August 1998

MINISTERIAL STATEMENT

Expo 2002 Bid

Hon. P. D. BEATTIE (Brisbane Central— ALP) (Premier) (9.40 a.m.), by leave: Following media reports in the Courier-Mail in relation to the costs of the Expo 2002 bid, I telephoned Sir Llew Edwards just after 6.30 this morning and then met with him at 9 a.m. to discuss the matters raised. I made it clear that, as Leader of the Opposition and as Premier, I supported the Expo bid which was an important initiative for Queensland and, indeed, an initiative of the previous Government. Sir Llew Edwards briefed both the then Government and the Opposition on the bid and worked incredibly hard for Queensland, and today in the House I acknowledge his contribution.

I table the report that Sir Llew Edwards provided to me at our meeting this morning in relation to the Expo bid. There are a number of concerns about this matter, however, and they do not relate to Sir Llew Edwards or his team; rather they relate to the Government's handling of this matter. The Government did not have the necessary approval mechanisms in place. For example, Executive Council approval was not sought for the Expo 2002 bid in total. Secondly, Executive Council approval was not sought for expenditure incurred in excess of the delegated levels of the director-general or the Premier. Thirdly, Sir Llew Edwards's contract and subsequent extension was approved by the then director-general. Expenditure incurred in this contract is more than the director-general's delegated authority. Fourthly, the Queensland Audit Office—QAO—raised concerns regarding the engagement of consultants, in particular the preparation and processing of invoices by a departmental officer on behalf of a contractor. I note that the National Party's advertising agency, Kelly Gee, was paid a consultancy fee of \$534,885. I will be asking the Auditor-General to closely examine these financial concerns and when that report is provided to me I will be tabling it in the House.

I think it is important, however, that I also draw to the attention of members certain aspects of Sir Llew's report. Because of the seriousness of the matter I will deal with these matters briefly for the benefit of the House. In his report Sir Llew points to this—

"... the lack of understanding and lack of support from some officers in Queensland Government made the Bid difficult and damaged. Senior officers of the Premier's Department just did not understand or comprehend the mechanism of an international Bid. Their behind doors delays and meetings with Hoko did not help.

Similarly the indecision and delays and the so-called need to call tenders for projects for which it was impossible to call tenders, added to the frustration of the team preventing me as Chairman from spending more time in lobbying. Their inflexibility and obstruction despite flexibilities afforded this type of project by both the Financial Audit Administration Act and Treasurer's Instructions with massive delays in approval (sometimes up to seven weeks) and aggressive and inaccurate letters to me from departmental officers, trying to justify their position and their poor advice given to the Departmental Head by officers with no understanding of the project, made this project almost an impossibility. I only achieved deadlines by either ignoring the demands placed on me by unreasonable, inexperienced and possibly incompetent officers or by having continual arguments resulting in bitterness and further obstructions.

No major project is ever going to be undertaken in Queensland if this attitude and those people are involved.

Evidence can be produced where some of these officers had luncheons with Hoko without ever discussing this with me with the receipt of account for the lunch, being the only evidence of the meeting with no report ever placed on file.

Secondly, a Cabinet submission was taken to Cabinet and approved regarding Hoko land, seeking to gain approval for purchase of part of the land without any discussion with me at any time. If we would have won, this decision would have made it impossible to honour commitments given.

Furthermore, as leader of the team I could not be given a Corporate Credit Card but officers of the Department could have one. This meant that expenses recoupment was delayed up to eight months.

Whilst none of these issues caused the loss of the Bid, they caused loss of goodwill, lower levels of support and meant that time was lost on these foolish small-minded demands of people who did not understand major projects and who indicated that they did not care if this meant the project failing by delays, stupidity and inflexibility. Their response was 'so be it'."

My concern is very simple. Such projects need to be won by this State and I will do everything I can to make certain that this never happens again.
